UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/690,145	10/20/2003	Benjamin Quigley	AOL0055	6038

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EXAMINER
WONG, ERIC TAK WAI

ART UNIT	PAPER NUMBER
3693	

NOTIFICATION DATE	DELIVERY MODE
01/21/2011	ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

eptomatters@glenn-law.com

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on <u>29 October 2010</u>.

2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) <u>1-5,8,9,12-17,19,23 and 50</u> is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) <u>1-5,8,9,12-17,19,23 and 50</u> is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.

10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a) ☐ All b) ☐ Some * c) ☐ None of:

      1. ☐ Certified copies of the priority documents have been received.

      2. ☐ Certified copies of the priority documents have been received in Application No. _____.

      3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
    Paper No(s)/Mail Date _____.

4) ☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____.

5) ☐ Notice of Informal Patent Application

6) ☐ Other: _____.

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1.   A request for continued examination under 37 CFR 1.114, including the fee set forth in

37 CFR 1.17(e), was filed in this application after final rejection. Since this application is

eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e)

has been timely paid, the finality of the previous Office action has been withdrawn pursuant to

37 CFR 1.114. Applicant's submission filed on 10/29/2010 has been entered.

Priority

2.   Applicant's claim for the benefit of a prior-filed application under 35 U.S.C. 119(e) or

under 35 U.S.C. 120, 121, or 365(c) is acknowledged. Applicant has not complied with one or

more conditions for receiving the benefit of an earlier filing date under 35 U.S.C. 120 as follows:

3.   The later-filed application must be an application for a patent for an invention which is

also disclosed in the prior application (the parent or original nonprovisional application or

provisional application). The disclosure of the invention in the parent application and in the later-

filed application must be sufficient to comply with the requirements of the first paragraph of 35

U.S.C. 112. See Transco Products, Inc. v. Performance Contracting, Inc., 38 F.3d 551, 32

USPQ2d 1077 (Fed. Cir. 1994).

4.   The disclosure of the prior-filed application, Application No. 10/313,748 fails to provide

adequate support or enablement in the manner provided by the first paragraph of 35 U.S.C. 112

for one or more claims of this application.

5.   The prior-filed application discloses a method for **creation** of a new digital wallet. In

contrast, independent claims 1, 23, and 50 recite a method for **converting** an electronic wallet,

comprising converting a thin wallet account to a full wallet account by providing a one-time

challenge/response mechanism, wherein the full wallet account requires multiple authentication

levels and provides a different set of services for each authentication level. The prior application

fails to provide adequate support for the foregoing features. As such, the claims are not accorded

a priority date of 12/6/2002. The claims are instead accorded a priority date of 10/20/2003.

Claim Rejections - 35 USC § 112

6.   The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

7.   **Claims 23 and 50** are rejected under 35 U.S.C. 112, second paragraph, as being

indefinite for failing to particularly point out and distinctly claim the subject matter which

applicant regards as the invention.

8.   **Regarding claim 23,** claim element "program code means for" is a means (or step) plus

function limitation that invokes 35 U.S.C. 112, sixth paragraph. However, the written description

fails to disclose the corresponding structure, material, or acts for the claimed function. The

corresponding structure for a computer-implemented function must include the algorithm as well

as the general purpose computer or microprocessor. The written description of the specification

must at least disclose the algorithm that transforms the general purpose microprocessor to a

special purpose computer programmed to perform the disclosed algorithm that performs the

claimed function (see Aristocrat Technologies, Inc. v. International Game Technology, 521 F.3d

1328, 1333, 86 USPQ2d 1235, 1239-40 (Fed. Cir 2008).

9.   Applicant is required to:

(a) Amend the claim so that the claim limitation will no longer be a means (or step) plus

function limitation under 35 U.S.C. 112, sixth paragraph; or

(b) Amend the written description of the specification such that it expressly recites what

structure, material, or acts perform the claimed function without introducing any new matter (35

U.S.C. 132(a)).

If applicant is of the opinion that the written description of the specification already implicitly or inherently discloses the corresponding structure, material, or acts so that one of ordinary skill in the art would recognize what structure, material, or acts perform the claimed function, applicant is required to clarify the record by either:

(a) Amending the written description of the specification such that it expressly recites the corresponding structure, material, or acts for performing the claimed function and clearly links or associates the structure, material, or acts to the claimed function, without introducing any new matter (35 U.S.C. 132(a)); or

(b) Stating on the record what the corresponding structure, material, or acts, which are implicitly or inherently set forth in the written description of the specification, perform the claimed function. For more information, see 37 CFR 1.75(d) and MPEP §§ 608.01(o) and 2181.

10.   **Regarding claim 50,** claim element "computer code means for" is a means (or step) plus function limitation that invokes 35 U.S.C. 112, sixth paragraph. However, the written description fails to disclose the corresponding structure, material, or acts for the claimed function. The corresponding structure for a computer-implemented function must include the algorithm as well as the general purpose computer or microprocessor. The written description of the specification must at least disclose the algorithm that transforms the general purpose microprocessor to a special purpose computer programmed to perform the disclosed algorithm that performs the claimed function (see Aristocrat Technologies, Inc. v. International Game Technology, 521 F.3d 1328, 1333, 86 USPQ2d 1235, 1239-40 (Fed. Cir 2008).

11.   Applicant is required to:

(a) Amend the claim so that the claim limitation will no longer be a means (or step) plus function limitation under 35 U.S.C. 112, sixth paragraph; or

(b) Amend the written description of the specification such that it expressly recites what structure, material, or acts perform the claimed function without introducing any new matter (35 U.S.C. 132(a)).

If applicant is of the opinion that the written description of the specification already implicitly or inherently discloses the corresponding structure, material, or acts so that one of ordinary skill in the art would recognize what structure, material, or acts perform the claimed function, applicant is required to clarify the record by either:

(a) Amending the written description of the specification such that it expressly recites the corresponding structure, material, or acts for performing the claimed function and clearly links or associates the structure, material, or acts to the claimed function, without introducing any new matter (35 U.S.C. 132(a)); or

(b) Stating on the record what the corresponding structure, material, or acts, which are implicitly or inherently set forth in the written description of the specification, perform the claimed function. For more information, see 37 CFR 1.75(d) and MPEP §§ 608.01(o) and 2181.

Claim Rejections - 35 USC § 103

12.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in
> section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are
> such that the subject matter as a whole would have been obvious at the time the invention was made to a person
> having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the
> manner in which the invention was made.

13.   **Claims 1-5, 8, 9, and 23** are rejected under 35 U.S.C. 103(a) as being unpatentable over

Paypal ("User Agreement for Paypal Service", cited in prior Office Action) in view of Batson

(US PG-PUB 2002/0169874).

14.   **Regarding claims 1 and 23,** Paypal discloses:

- providing, via a computing device, a thin wallet account providing a first set of service,
  the first set of service requiring a single authentication level (see pg. 5, "Spending Limits
  and Verification"; The unverified paypal account is a "thin wallet" because it has a
  sending limit.);

- presenting, via a computing device, a thin wallet accountholder a one-time
  challenge/response mechanism (see pg. 5, "Spending Limits and Verification"; The
  verification of two small deposits to a bank account is the one-time challenge/response
  mechanism); and

- converting, via a computing device, the thin wallet account to a full wallet account (see
  pg. 5, "Spending Limits and Verification"; The verification of two small deposits to a
  bank account is the one-time challenge/response mechanism. The user's sending limit is
  lifted after an account is verified, resulting in a "full wallet").

15.   Paypal does not explicitly disclose wherein the full wallet account requires multiple

authentication levels and provides a different set of services for each authentication level.

16.   Batson teaches an account requiring multiple authentication levels and providing a

different set of services for each authentication level (see abstract).

17.   It would have been obvious to one of ordinary skill in the art at the time of invention to modify Paypal to include wherein the full wallet account requires multiple authentication levels and provides a different set of services for each authentication level.

18.   The modification would have merely been the application of a known technique to a known method ready for improvement yielding predictable results. One of ordinary skill in the art would have recognized that applying the known technique would have yielded predictable results and resulted in an improved method. It would have been recognized that applying the technique of Batson to the teachings of Paypal would have yielded predictable results because the level of ordinary skill in the art demonstrated by the references applied shows the ability to incorporate such multiple authentication levels into similar methods (see Batson at para. [0037]).

19.   **Regarding claim 2,** Paypal discloses wherein the challenge/response mechanism requires an accountholder to provide information known only to the thin wallet accountholder (ie. the deposit amounts).

20.   **Regarding claim 3,** Paypal discloses wherein the step of providing the thin wallet account comprises either of the steps of: creating the thin wallet account when making an initial purchase; and creating a record in a subscriber database.

21.   **Regarding claim 4,** Paypal discloses wherein subscribers include subscribers to any of: an online service; and an ISP.

22.   **Regarding claim 5,** Paypal discloses wherein the step of presenting a challenge/response

mechanism comprises steps of: requesting, via a computing device, a service from within the thin

wallet account that is only available from within a full wallet account; and one time only,

prompting the thin wallet accountholder to provide the information known only to the thin wallet

accountholder (see pg. 5, "Spending Limits and Verification").

23.   **Regarding claim 8,** Batson teaches wherein the different set of services for each

authentication level comprise tasks requiring greater security than the level of security provided

by said single authentication level (see abstract).

24.   **Regarding claim 9,** Batson teaches wherein the additional tasks comprise any of: editing

the default account information; editing account preferences; making purchases that exceed a

predetermined purchase amount (see para. [0035]); and making purchases at sites that require

additional authentication beyond said single authentication level.

25.   **Claim 12** is rejected under 35 U.S.C. 103(a) as being unpatentable over Paypal in view of

Batson, further in view of Partovi (US PATENT 6,807,574, cited in prior Office Action).

26.   **Regarding claim 12,** Paypal does not explicitly disclose wherein the information known

only to the thin wallet account holder comprises at least a portion of a credit card number stored

in the first account.

27.   Partovi teaches verifying an accountholder's identity by requesting a portion of a saved

credit card number (see col. 4, lines 7-19).

28.   It would have been obvious to one of ordinary skill in the art at the time of invention to

modify Paypal further with verifying an accountholder's identity by requesting a portion of a

credit card number stored in the first account, as taught by Partovi.

29.   The modification would have merely been the application of a known technique to a

known method ready for improvement yielding predictable results. One of ordinary skill in the

art would have recognized that applying the known technique would have yielded predictable

results and resulted in an improved method. It would have been recognized that applying the

technique of Partovi to the teachings of Paypal would have yielded predictable results because

the level of ordinary skill in the art demonstrated by the references applied shows the ability to

incorporate such verification features into similar methods.

30.   **Claim 13** is rejected under 35 U.S.C. 103(a) as being unpatentable over Paypal in view of

Batson, further in view of Partovi, further in view of Templeton (US PG-PUB 2002/0004772)

31.   **Regarding claim 13,** Paypal does not explicitly disclose if the thin wallet accountholder

doesn't clear the challenge, allowing a predetermined number of attempts to enter the

information known only to the thin wallet accountholder; and if the thin wallet accountholder

fails the predetermined number of attempts, allowing the thin wallet accountholder to provide a

new credit card number; and presenting a challenge based on the new credit card number.

32.   Templeton teaches if a user fails a predetermined number of verification attempts,

allowing other different or additional verification (see para. [0006]).

33.   It would have been obvious to one of ordinary skill in the art at the time of invention to

modify Paypal to include if the thin wallet accountholder doesn't clear the challenge, allowing a

predetermined number of attempts to enter the information known only to the thin wallet

accountholder; and if the thin wallet accountholder fails the predetermined number of attempts,

allowing the thin wallet accountholder to provide a new credit card number; and presenting a

challenge based on the new credit card number.

34.   The modification would have merely been the combination of known prior art elements

according to known methods yielding predictable results. One of ordinary skill in the art would

have recognized that combining the known prior art elements would have yielded predictable

results and resulted in an improved method.

35.   **Claim 14** is rejected under 35 U.S.C. 103(a) as being unpatentable over Paypal in view of

Batson, further in view of Partovi, further in view of Honarvar (US PAT 7,231,657).

36.   **Regarding claim 14,** Paypal discloses configuring the challenge by an account provider,

wherein configuring the challenge includes: specifying information requested by the challenge

(Random Deposits).

37.   Paypal does not explicitly disclose specifying a permissible number of response attempts.

38.   Honarvar teaches specifying a permissible number of response attempts (see col. 19, line

55- col. 20, line 30).

39.   It would have been obvious to one of ordinary skill in the art at the time of invention to

modify Paypal further to include specifying a permissible number of response attempts.

40.   The modification would have merely been the combination of known prior art elements

according to known methods yielding predictable results. One of ordinary skill in the art would

have recognized that combining the known prior art elements would have yielded predictable

results and resulted in an improved method.

41.   **Claims 15 and 16** are rejected under 35 U.S.C. 103(a) as being unpatentable over Paypal in view of Batson, further in view of Weller (US PG-PUB 2002/0111919).

42.   **Regarding claim 15,** Paypal discloses creating a record in a full wallet account database. Paypal does not explicitly disclose providing notice of a privacy policy; and consenting to the privacy policy by the thin wallet account holder.

43.   Weller teaches providing notice of a privacy policy by a service provider and consenting to a privacy policy by a user upon registration for a new service (see para [0057]).

44.   It would have been obvious to one of ordinary skill in the art at the time of invention to modify Paypal to include providing notice of a privacy policy; and consenting to the privacy policy by the thin wallet account holder.

45.   The modification would have merely been the combination of known prior art elements according to known methods yielding predictable results. One of ordinary skill in the art would have recognized that combining the known prior art elements would have yielded predictable results and resulted in an improved method.

46.   **Regarding claim 16,** Paypal discloses creating at least a second-level challenge (ie. more than one deposit amount is verified).

47.   **Claim 17** is rejected under 35 U.S.C. 103(a) as being unpatentable over Paypal in view of

Batson, further in view of Weller, further in view of Bhagavatula (US PG-PUB 2001/0037451).

48.   **Regarding claim 17,** Paypal does not explicitly disclose setting a second-level password;

and configuring a security question by the accountholder.

49.   Bhagavatula teaches setting a second-level password (ie. pin); and configuring a security

question by the accountholder (see para. [0047]).

50.   It would have been obvious to one of ordinary skill in the art at the time of invention to

modify Paypal to include setting a second-level password; and configuring a security question by

the accountholder.

51.   The modification would have merely been the combination of known prior art elements

according to known methods yielding predictable results. One of ordinary skill in the art would

have recognized that combining the known prior art elements would have yielded predictable

results and resulted in an improved method.

52.   **Claim 19** is rejected under 35 U.S.C. 103(a) as being unpatentable over Paypal in view of

Batson, further in view of McClung (US PG-PUB 2004/0059636).

53.   **Regarding claim 19,** Paypal does not explicitly disclose providing a user interface

accessible only to holders of full wallet accounts to edit account information and preferences.

54.   McClung teaches providing a user interface accessible only to holders of full accounts to

edit account information and preferences (see paras. [0058]-[0059]).

55.   It would have been obvious to one of ordinary skill in the art at the time of invention to

modify Paypal to include providing a user interface accessible only to holders of full wallet

accounts to edit account information and preferences.

56.   The modification would have merely been the combination of known prior art elements

according to known methods yielding predictable results. One of ordinary skill in the art would

have recognized that combining the known prior art elements would have yielded predictable

results and resulted in an improved method.

57.   **Claim 50** is rejected under 35 U.S.C. 103(a) as being unpatentable over Schutzer in view

of Paypal, further in view of Batson.

58.   **Regarding claim 50,** Schutzer discloses:

- a wallet server (see col. 4, lines 25-46; ie. the merchant server);

- a wallet database (see col. 6, lines 10-38; ie. database 19);

- a subscriber database, wherein said wallet database is distinct from said subscriber database (see col. 8, lines 1-25; ie. the database on the consumer's pc);

- wherein the wallet server is in communication with the wallet and the subscriber databases;

- a client in communication with the wallet server, wherein a wallet accountholder requests services from the wallet server; and a computer program comprising computer code means for providing services to the client.

59.   Schutzer does not explicitly disclose providing a thin wallet account providing a first set

of services, the first set of services requiring a single authentication level; presenting a thin

wallet accountholder a one-time challenge/response mechanism; and if the thin wallet

accountholder clears the challenge, converting the thin wallet account to a full wallet account

requiring multiple authentication levels and providing a different set of services for each

authentication level.

60.   Paypal teaches providing, via a computing device, a thin wallet account providing a first

set of service, the first set of service requiring a single authentication level (see pg. 5, "Spending

Limits and Verification"; The unverified paypal account is a "thin wallet" because it has a

sending limit.); presenting, via a computing device, a thin wallet accountholder a one-time

challenge/response mechanism (see pg. 5, "Spending Limits and Verification"; The verification

of two small deposits to a bank account is the one-time challenge/response mechanism); and

converting, via a computing device, the thin wallet account to a full wallet account (see pg. 5,

"Spending Limits and Verification"; The verification of two small deposits to a bank account is

the one-time challenge/response mechanism. The user's sending limit is lifted after an account is

verified, resulting in a "full wallet").

61.   It would have been obvious to one of ordinary skill in the art at the time of invention to

modify Schutzer to include providing, via a computing device, a thin wallet account providing a

first set of service, the first set of service requiring a single authentication level; presenting, via a

computing device, a thin wallet accountholder a one-time challenge/response mechanism;; and

converting, via a computing device, the thin wallet account to a full wallet account.

62.   The modification would have merely been the combination of known prior art elements

according to known methods yielding predictable results. One of ordinary skill in the art would

have recognized that combining the known prior art elements would have yielded predictable

results and resulted in an improved method.

63.   Schutzer does not explicitly disclose wherein the full wallet account requires multiple

authentication levels and provides a different set of services for each authentication level.

64.   Batson teaches an account requiring multiple authentication levels and providing a

different set of services for each authentication level (see abstract).

65.   It would have been obvious to one of ordinary skill in the art at the time of invention to

modify Schutzer further to include wherein the full wallet account requires multiple

authentication levels and provides a different set of services for each authentication level.

66.   The modification would have merely been the application of a known technique to a known method ready for improvement yielding predictable results. One of ordinary skill in the art would have recognized that applying the known technique would have yielded predictable results and resulted in an improved method. It would have been recognized that applying the technique of Batson to the teachings of Schutzer would have yielded predictable results because the level of ordinary skill in the art demonstrated by the references applied shows the ability to incorporate such multiple authentication levels into similar methods (see Batson at para. [0037]).

Conclusion

Any inquiry concerning this communication or earlier communications from the

examiner should be directed to ERIC T. WONG whose telephone number is (571)270-3405.

The examiner can normally be reached on Monday-Friday 9:00AM-5:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, James A. Kramer can be reached on 571-272-6783. The fax phone number for the

organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent

Application Information Retrieval (PAIR) system. Status information for published applications

may be obtained from either Private PAIR or Public PAIR. Status information for unpublished

applications is available through Private PAIR only. For more information about the PAIR

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like assistance from a USPTO Customer Service Representative or access to the automated

information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/ERIC T. WONG/   ERIC T. WONG
Examiner, Art Unit 3693   Examiner
                                                        Art Unit 3693

January 17, 2011